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**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

PLANNING COMMISSION

MEETING DATE June 11, 2015	CONTACT/PHONE Airlin M. Singewald (805) 781-5198 asingewald@co.slo.ca.us	APPLICANT Zacastreet21, LLC	FILE NO. LRP2014-00013
SUBJECT Hearing to consider a request by Zacastreet21, LLC for a General Plan Amendment (GPA) to change the land use category on approximately 34 acres (25 parcels) total, which currently includes 23 acres (23 parcels) solely designated Commercial Retail (CR) and 11 acres (2 parcels) solely designated Commercial Service (CS), to a mixed CR and CS land use designation that would cover the entire 34 acre site. This would allow for any of the allowable uses identified in Table 2-2 of the Land Use Ordinance for both the CR and CS land use categories to be established on any of the 25 parcels that comprise the 34 acre project area. The project site is located in the community of Templeton and is bordered by the following roads: Ramada Drive, Marquita Avenue, Cow Meadow Place, and La Cruz Way. The site is located in the Salinas River Sub-area of the North County Planning Area.			
RECOMMENDED ACTION 1. Adopt the Negative Declaration (ED14-174) in accordance with the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et seq. 2. Adopt the resolution recommending that the Board of Supervisors approve General Plan Amendment LRP2014-00013 as shown in Exhibit LRP2014-00013:B and based on the recommended findings listed in this report.			
ENVIRONMENTAL DETERMINATION The Environmental Coordinator, after completion of the initial study, finds that there is no substantial evidence that the project may have a significant effect on the environment, and the preparation of an Environmental Impact Report is not necessary. Therefore, a Negative Declaration (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.) has been issued on March 27, 2015 for this project. Anyone interested in commenting or receiving a copy of the proposed Environmental Determination should submit a written statement. Comments will be accepted up until completion of the public hearing(s).			
LAND USE CATEGORY Commercial Retail, Commercial Service	COMBINING DESIGNATION None	ASSESSOR PARCEL NUMBERS 040-153-(001-008); 040-152-(004-017)	SUPERVISOR DISTRICT(S) 1
PLANNING AREA STANDARDS: None applicable			
LAND USE ORDINANCE STANDARDS: None applicable			
EXISTING USES: Commercial/office buildings, undeveloped			
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> Commercial Service / farm supplies store <i>South:</i> Commercial Service / construction materials <i>East:</i> Industrial / recycling center, construction-related businesses <i>West:</i> Residential Single Family / Highway 101 and Ramada Drive			
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Environmental Health, Cal Fire, Cal Trans, Templeton Area Advisory Group, Templeton Community Services District, Air Pollution Control District, and City of Paso Robles			

Planning Commission
General Plan Amendment LRP2014-00013 / ZacaStreet21LLC
Page 2

TOPOGRAPHY: Gently to moderately sloping	VEGETATION: Non-native grasses, oak trees
PROPOSED SERVICES: Water supply: TCSD Sewage Disposal: TCSD Fire Protection: Templeton Fire	ACCEPTANCE DATE: February 18, 2015
ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT: COUNTY GOVERNMENT CENTER γ SAN LUIS OBISPO γ CALIFORNIA 93408 γ (805) 781-5600 γ FAX: (805) 781-1242	

SUMMARY OF REQUEST

The proposed project is a request by Zacastreet21, LLC for a General Plan Amendment (GPA) to change the land use category on approximately 34 acres (25 parcels), including 23 acres (23 parcels) of Commercial Retail (CR) and 11 acres (2 parcels) of Commercial Service (CS), to a mixed CR and CS land use designation. This would allow for any of the allowable uses identified in Table 2-2 of the Land Use Ordinance for the CR or CS land use category to be established on any of the 25 parcels that comprise the 34 acre project area. The purpose of this request is to allow for more flexibility to develop the project site consistent with changing market demands for commercial goods and services.

The applicant (Zacastreet21, LLC) originally requested a GPA to change the land use category on five parcels (approximately 9.7 acres) fronting Ramada Drive from CR to a mixed CR and CS land use designation. The original project area included Zacastreet21's four vacant 1.2-acre parcels (created by a 2007 subdivision) and a vacant 5-acre parcel to the south owned by San Juan Capo, LLC.

When the Board of Supervisors authorized this request on January 6, 2015, they directed staff to also include the 20 parcels (approximately 24 acres) located immediately to the east. This resulted in a 34-acre trapezoid-shaped project area bordered by Ramada Drive (to the west), Cow Meadow Place (to the south), Marquita Avenue (to the north), and La Cruz Way (to the east).

Figure 1, below, shows the original project area, including the Zacastreet21 parcels (Area A) and the San Juan Capo parcel (Area B) and the following areas added by the Board of Supervisors at the authorization hearing:

- **Vogt Parcels / Commercial Retail (Area C).** This includes two one-acre parcels and one 0.9-acre parcel. One of the parcels is developed with the Totally Tile commercial/office building located on Cow Meadow Place. The other two parcels are vacant.
- **Farm Credit West Parcels / Commercial Retail (Area D).** This includes a 15 lot commercial subdivision (Tract 2563) in the center of the project area, with access from Bison Court, the project site's only internal access road. The 10 acre area includes one one-acre parcel (developed with the Farm Credit West office/commercial building), 13 approximately 13,000 square-foot vacant parcels, and a 3.7-acre vacant parcel.
- **Olson / Odoan Parcels / Commercial Service (Area E).** This includes two 5.5-acre parcels on the eastern edge of the project site between Cow Meadow Place and Marquita Avenue. The northern (Odoan) parcel on Marquita Avenue is

Figure 1: Project Area



developed with an existing single family home. The Olson parcel is vacant.

Future Development

The applicant (ZacaStreet21) has pulled building permits to construct two warehouse buildings on two of the four 1.2-acre parcels in its ownership (Area A). As of the writing of this staff report, the applicant completed grading and site preparation for one of the warehouse buildings and completed the foundation for the other. The applicant anticipates completing construction of both warehouse buildings by the end of summer 2015. The applicant has also applied for (but has not pulled) construction permits to build warehouse buildings on the other two 1.2-acre parcels. These four warehouse buildings were reviewed and approved under Parcel Map / Conditional Use Permit SUB2006-00057 (CO06-0088) and the associated Mitigated Negative Declaration (ED06-155). See Table 1, below.

Table 1: ZacaStreet21, LLC Building Permits

APN	Building Permit	Description	Status
040-153-001	PMT2013-03325	7,541 SF warehouse building	Under review; not issued
040-153-002	PMT2013-03241	8,128 SF warehouse building	Issued
040-153-003	PMT2013-03234	8,024 SF warehouse building	Issued
040-153-004	PMT2013-03324	18,650 SF warehouse building	Under review; not issued

These buildings have been permitted as “shell” buildings with no occupying use. After approval of this GPA, the applicant would be able to establish allowable Commercial Service or Commercial Retail uses in the new buildings.

AUTHORITY

In determining whether to approve a proposed land use category amendment, the Planning Commission and Board of Supervisors may consider, but shall not be limited to, the criteria listed in Exhibit C. These criteria include consistency with existing goals and policies in the General Plan, consistency with the applicable purpose and character statements, compatibility with the character of the general area, convenient access to a road system in the area that is adequate to accommodate the traffic generated, and in an area with demonstrated availability of needed public services and facilities, protection of prime agricultural soils, and if the change is needed to provide a sufficient supply of land for the population of the community or area.

Framework for Planning, Part 1 of the Land Use Element, sets forth the authority by which the General Plan can be amended. The Planning Commission will typically consider the following factors in determining whether or not to recommend approval of an amendment to the Board of Supervisors:

1. **Necessity.** Considering the relationship of the amendment to other existing Land Use Element policies including the Guidelines for Land Use Category Amendments (attached in Exhibit C).

- *Does the project comply with existing land use policies?*
- *Would existing policies make the proposed amendment unnecessary or inappropriate?*
- *Does the project site conform to the Purpose and Character statements for the proposed land use category?*

As described below, under General Plan Considerations, the proposed project is consistent with other existing Land Use Element policies, including the purpose and character statements for the Commercial Retail and Commercial Service land use categories. Existing policies would not make the proposed amendment unnecessary or inappropriate.

2. **Timing.** Considering whether the proposed amendment is timely and its relationship to the inventory of similarly designated land.

- *Is there a need to designate additional land as Commercial Retail/Commercial Service?*
- *Will the amendment result in a significant loss of Commercial Retail/Commercial Service land?*
- *Is the requested amendment unnecessary or premature?*

By allowing for both Commercial Retail and Commercial Service uses throughout the 34-acre project site, the proposed general plan amendment would allow for more flexibility to develop the project site consistent with changing market demands for commercial goods and services. For example, there is currently a demand for agricultural processing facilities in support of the County's wine industry, however this use is not presently allowed in the Commercial Retail land use category. With the proposed land use category change, agricultural processing would be allowed in the portions of the project area that are currently designated Commercial Retail.

The Templeton Area Advisory Group indicated concerns that the proposed change would lead to the project area being developed with Commercial Service uses, resulting in a loss of vacant land for new retail development. However, this general plan amendment would not preclude retail development in the project area; rather, it would allow for commercial retail or service development, depending on market demand. In addition, after the proposed amendment, there would still be approximately 70 acres of vacant and underdeveloped land dedicated for Commercial Retail development in the Ramada Drive area.

3. **Vicinity.** Considering the relationship of the site to its surrounding area.

- *Are the boundaries of the area proposed for amendment appropriate, or should they be reduced or expanded?*
- *Is there sufficient resource availability?*
- *Are there potential environmental constraints?*

The boundaries of the project area were determined by the Board of Supervisors during the authorization hearing. The rationale for including the parcels to the east was to extend the CR/CS mixed land use designation over one contiguous block bordered by Ramada Drive, Cow Meadow Place, Marquita Avenue and La Cruz Way. It was also to accommodate a property owner request made at the authorization hearing to include the 5-acre parcel on the northwest corner of Cow Meadow Place and La Cruz way.

The project area receives community water and sewer service from the Templeton Community Services District. The project area is located in a predominately commercial / industrial area. There are no significant environmental constraints. As described in the attached Initial Study/Mitigated Negative Declaration, the proposed land use category change could lead to more intensive commercial and industrial type uses in the project area, such as a concrete batch plant or manufacturing. This could lead to increased impacts related to noise, air quality, and hazards/hazardous materials. However, such development would require discretionary permit approval and project-level environmental review, which would include a noise analysis and referrals to review agencies such as the Air Pollution Control District, County Environmental Health, Cal Fire, etc. These projects would be required to mitigate potential impacts to less than significant levels and obtain necessary approvals (e.g. APCD operational permits, hazardous materials business plan, etc.).

GENERAL PLAN CONSIDERATIONS

Commercial Retail and Commercial Service Purpose and Character Statements

The project site is consistent with the purpose and character statements for the Commercial Service and Commercial Retail land use categories (attached in Exhibit D). The project site is located within an established commercial and light industrial area within the Templeton urban reserve line. It is located on Ramada Drive, an arterial roadway, and has Highway 101 access to meet the shopping needs of tourists and highway travelers. All parcels exceed the 6,000 square-foot minimum parcel size for new parcels in the Commercial Retail and Commercial Service land use categories. The site's slope is less than 15 percent.

Strategic Growth Principles and Policies

Framework for Planning, Part 1 of the Land Use and Circulation Elements, contains strategic growth principles and policies to guide County land use and development. Applicable principles and policies are discussed below:

Principle 2: Strengthen and direct development toward existing and strategically planned communities.

Policies:

3. Plan for most future development to be within existing and strategically planned cities and communities.

5. Create active and vital urban and village environments that are attractive, compact, and orderly arrangements of structures and open space, appropriate to the size and scale of each community.
6. Plan adequate and convenient areas within communities for employment and economic development near transit and residential areas.
7. Phase urban development in a compact manner, first using vacant or underutilized “infill” parcels and lands next to or near existing development.

The proposed land use category change from Commercial Retail to a mixed Commercial Retail and Commercial Service land use category is consistent with the above strategic growth principle and policies. The project site is located within a predominantly commercial / industrial area in the Templeton urban reserve line. The proposed amendment would facilitate infill development and private investment in the Ramada Drive area since it would provide more flexibility to develop the project site consistent with changing market demands for commercial goods and services. Approval of the land use category change will enable the applicant to establish Commercial Service uses in the four new warehouse buildings under construction in the project area.

Mixed Land Use Categories

There are currently two properties in the county with mixed land use categories (see Table 1). This includes the Villa Paseo Senior Housing facility (CR, CS, RMF) located on Ramada Drive about 700 feet north of the project site. The other parcel is a vacant 19 acre property owned by the Lucia Mar Unified School District. Mixed land use categories expand the allowable uses on a parcel to allow for all of the allowable uses under each land use category. This is different than “split zoning,” which is when a single parcel is divided among different land use categories. In the case of split zoning, allowable uses are determined based on the single land use category where development is proposed.

Table 1: Parcels with Mixed Land Use Categories

APN	Owner	Land Use Categories	Address	Acres
040-143-024	Villa Paseo Senior Residence	CR, CS, RMF	2808 Ramada Drive	5.15
091-181-055	Lucia Mar Unified School District	REC, PF	1670 Willow Road	19.17

COMMUNITY ADVISORY GROUP COMMENTS

The proposed project was referred to the Templeton Area Advisory Group (TAAG). In an email dated April 23, 2015, TAAG Chairperson David La Rue indicated that TAAG recommends denial of the GPA due to “loss of retail zoning capacity, to CS use, which has a bigger current demand, but could attract less than desired use.” As described above, the proposed GPA would not preclude retail development in the project area, and approximately 70 acres of vacant and underdeveloped CR dedicated land would remain in the Ramada Drive corridor.

AGENCY REVIEW

The project was referred to various local and state agencies and no concerns were noted. The Public Works Department recommended estimating the change in traffic trips generated by the proposed GPA. The proposed GPA should reduce trip generation since it would allow for more Commercial Service development, which generally has lower trip generation rates compared to Commercial Retail. Future development in the project area will be required to pay traffic impact fees. This fee provides the means to collect “fair share” monies from new development to help fund certain regional road improvements that will be needed once the area reaches “buildout.”

ATTACHMENTS

1. Exhibit A – Findings
2. Exhibit B – LRP2014-00013:B – Proposed Land Use Category Map Change
3. Exhibit C – Guidelines for Land Use Category Amendments
4. Exhibit D– Purpose and Character Statements for Commercial Retail and Commercial Service LUCs
5. Exhibit E – Graphics
6. Environmental Determination
7. Referral Responses

Staff report prepared by Airlin M. Singewald and reviewed by Bill Robeson